



Kansas Water Infrastructure Needs and Funding

SPARK Economic Revitalization Advisory Panel – March 11, 2022

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Kansas Water Infrastructure Needs

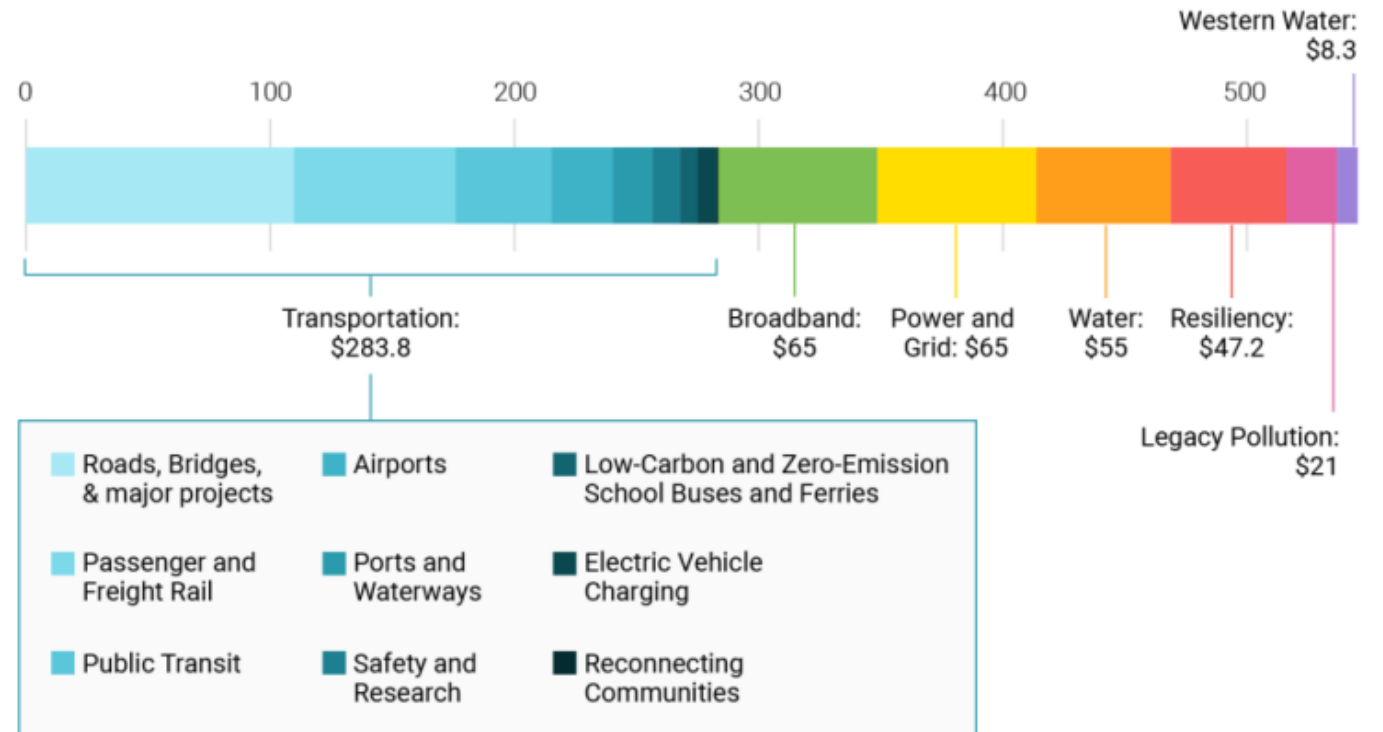


- ▶ In 2018, the American Society of Civil Engineers gave Kansas a “C” on its’ Report Card for Drinking Water and a “C-” for Stormwater Infrastructure
- ▶ EPA identified \$4.2 billion in Kansas drinking water needs over the next 20 years.
- ▶ KDHE has \$640M in projects on the current Intended Use Plans for the Clean Water and Drinking Water SRF’s

Infrastructure Investment and Jobs Act (IIJA)

- ▶ Approximately \$1.2 trillion
- ▶ \$550 billion in new spending
- ▶ \$54 billion for water
- ▶ \$460 million for KS water

Figure 1. Topline above-baseline spending in IIJA (billions of USD)



Source: Bipartisan Infrastructure Investment and Jobs Act Summary

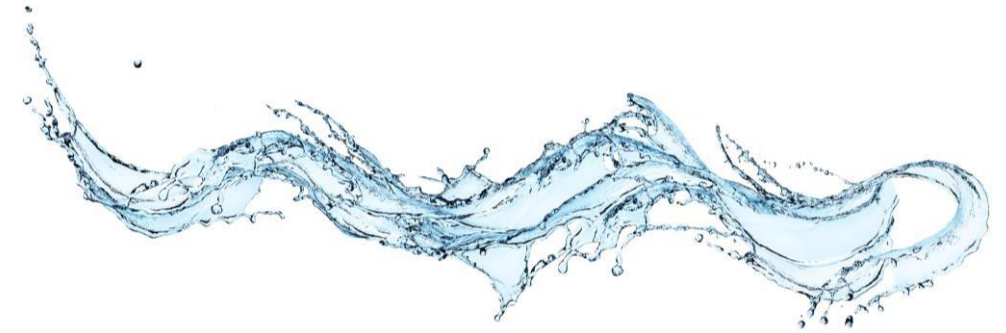


DWSRF Funding Under the Bipartisan Infrastructure Law (BIL)

Water Quality Seminar | March 3, 2022

Actual Appropriations for 5 years

Year	KS DW Estimated Any Eligible Project	KS DW Estimated Forgiveness
2022	\$20,831,000	\$10,207,190
2023	\$24,116,647	\$11,817,157
2024	\$26,318,030	\$12,895,835
2025	\$28,508,461	\$13,969,146
2026	\$28,508,461	\$13,969,146
Total	\$128,282,599	\$62,858,473
2021	\$12,763,000	\$2,552,600
Year	KS DW Estimated Emerging Contaminants	KS DW Estimated Forgiveness
2022	8,748,000	All
2023	8,748,000	All
2024	8,748,000	All
2025	8,748,000	All
2026	8,748,000	All
Total	\$43,740,000	



Year	KS DW Estimated Lead Service Lines	KS DW Estimated Forgiveness
2022	32,804,000	16,073,960
2023	32,804,000	16,073,960
2024	32,804,000	16,073,960
2025	32,804,000	16,073,960
2026	32,804,000	16,073,960
Total	\$164,020,000	\$80,369,800

DW SRF Loan Forgiveness

- Disadvantaged Community (150 pop.)
 - \$500,000 max
- Project scope (30% up to \$1,000,000 max)
 - MCL resolution
 - Consent order resolution
 - System consolidation
 - Public Wholesale Water Supply District creation/expansion



Grounding Expectations



2022 Project Priority List
Amended January 31, 2022 (updated 1/21/2022)

Municipality Name	Project #	Priority Rating	Project Description	Loan Request \$	Population Served	Potential PF \$
Lucas	3088	38	New WTP to Reduce Nitrate and Construction of 50,000 Gallon Storage Tower	\$1,500,000	391	\$230,000
Palco	3104	38	New WTP to Reduce Nitrate	\$2,000,000	267	\$600,000
Randall	3096	33	New well to reduce DBP's, Storage Tower, Waterline Replacement	\$980,000	62	\$644,000
Burr Oak	3107	33	WTP Improvements to reduce Uranium and Selenium, Storage Rehab, and Waterline Replacement	\$2,921,857	160	\$27,000
Ellis	3037	31	Improvements to Reduce Bromide and TTHM	\$1,750,000	2,029	
Bushton	3024	30	New Source or Treatment to Reduce Radium	\$2,000,000	256	\$600,000
KC Board of Public Utilities	2951	22	Replace Small Diameter Waterlines and Storage Reservoir	\$25,000,000	180,419	
Jefferson Co. RWD#13	3081	10	WTP Rehab, New Well, Transmission Main, Back Up Generator	\$3,900,000	4,711	
Scott City	2982	10	WTP Rehab, New Storage, Well Improvements, & Waterline Replacement	\$7,100,000	3,890	
Bonner Springs	3067	10	New WTP and Wells	\$22,000,000	7,906	

\$238,920,537

\$10,364,860

New Projects



CWSRF Funding Under the Bipartisan Infrastructure Law (BIL)

Water Quality Seminar | March 2, 2022

Actual Appropriations for 5 Years (Starting Now)



Year	KS CW Estimated Any Eligible Project	KS Estimated CW Forgiveness
2022	\$16,197,000.00	\$7,936,530
2023	\$18,751,731.86	\$9,188,349
2024	\$20,463,402.21	\$10,027,067
2025	\$22,166,556.78	\$10,861,613
2026	\$22,166,556.78	\$10,861,613
Total	\$99,745,248	\$48,875,171
2021	\$14,342,000	\$1,434,200
Year	KS CW Estimated Emerging Contaminants	KS Estimated CW Forgiveness
2022	850,000	All
2023	1,912,500	All
2024	1,912,500	All
2025	1,912,500	All
2026	1,912,500	All
Total	\$8,500,000	

Grounding Expectations

2022 Project Priority List - Amended January 31, 2022

Project #	Municipality	NPDES Permit No.	Project Description	Loan Amount	Project Eligible for Additional Subsidy (Congressional, Sec. 603(i)(1)(A), Sec. 603(i)(1)(B))	Opportunity Zone; Yes =1, No = 0	Population 500 or less	MHI (Kansas MHI = 62087; 80% = 49,670)	County Unemployment Rate (Kansas Ave = 5.38%; 115% = 6.187%)	County	Estimated Principal Forgiveness Amount	Estimated GPR Amount
3016-01	Alden	0051641	Wastewater Treatment Plant Improvements and Rehabilitation	\$600,000		0	142	53,281	4.03%	Rice		
1812-01	Arkansas City	0044831	Rehabilitate and upgrade the wastewater treatment plant	\$10,500,000	Sec. 603(i)(1)(A)	1	11,793	42,576	6.15%	Cowley	\$1,000,000	
3052-01	Bonner Springs	KS0082881	Replace Lift Station	\$2,500,000		0	7,961	62,245	7.53%	Wyandotte		
3018-01	Chanute	0008037	New Wastewater Treatment Plant to Meet BNR requirements	\$10,000,000	Sec. 603(i)(1)(A)	0	9,018	36,838	6.53%	Neosho	\$1,000,000	
3027-01	Unified Gov. of Wyandotte	KS0095656	Stormwater Program Projects	\$70,500,000	Sec. 603(i)(1)(A)	1	152,960		7.53%	Wyandotte	\$1,000,000	
3043-01	Valley Falls	KS0022543	Sewer Collection System Rehabilitation	\$2,250,000		0	1153	58,403	4.68%	Jefferson		
3049-01	Wichita	KS0043036	Rehab and Upgrade WWTP to Improve Nutrient Removal	\$185,000,000	Sec. 603(i)(1)(A)	1	391,731	52,620	8.42%	Sedgwick	\$1,000,000	
2039-01	Windom	0051721	Provide Comprehensive City-Wide Sewer Rehabilitation	\$500,000	Sec. 603(i)(1)(A)	0	126	36,250	3.48%	McPherson	\$150,000	

New Projects/Changes

\$401,385,270

\$13,771,468 \$0

CW SRF Loan Forgiveness 30% with Maximum \$1M



- Affordability Criteria (2 out of 4)
 - Municipality located in a Federal Opportunity Zone (Dept. of Commerce)
 - Municipality serves a population of 500 or less (using Kansas Certified Population Data by Division of Budget)
 - Median Household Income (MHI) less than 80% of the statewide MHI
 - County unemployment rate greater than 115% of the statewide average.



CW SRF Loan Forgiveness 30% with Maximum \$1M

- Sustainability (project scope)
 - Regionalization studies
 - Regional facilities
 - Converts <1 MGD mechanical treatment to lagoon treatment
 - Discharging lagoon to non discharging lagoon

Timing

- 2023 IUP will cover any remaining 2022 funds and anticipated 2023 funds
- Preapplication forms submitted before June 15.
<https://www.kdhe.ks.gov/DocumentCenter/View/2831/Kansas-SRF-Loan-Pre-Application-Form-PDF>
- 2023 Intended Use Plan July 2022



Other IIJA Water Funding Opportunities

▶ Bureau of Reclamation

- \$8.3B Total (6-7 fold increase for BOR programs)
 - ▶ \$450M in competitive grants for water recycling and reuse
 - ▶ \$500M for dam safety
 - ▶ \$400M for WaterSMART grants
 - ▶ New program for small surface and groundwater storage (>2,000 AF and < 30,000 AF)
 - 25% federal up to \$30M per project
- ▶ IIJA also has water-related \$ for USDA, USACE, HUD & FEMA

At the end of the day, the vast majority of municipal water infrastructure investments are currently financed by water and sewer users.

In other words, we pay for it!

